



HQ AETC News Clips

Randolph AFB TX



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KellyUSA adding

jobs at park

KellyUSA industrial park continues adding jobs, according to Economic Development Foundation President Mario Hernandez, who gave an update at the recent Economic Outlook Conference held by the Greater San Antonio Chamber of Commerce.

KellyUSA now has 70 tenants, in large part due to its new office building. The 5,500 jobs from those tenants average \$40,000 a year in wages, Hernandez said.

Coupled with 7,000 military jobs still at the former Kelly AFB, that totals 12,500 jobs. That is not far below the 16,500 civilian and military jobs at Kelly AFB when a federal base-closing commission voted in 1995 to close Kelly AFB, Hernandez pointed out.



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Biggest spy trial in 50 years opens

ALEXANDRIA, Va. — The first spy trial in decades that could result in the death penalty opened Monday.

Brian Regan is charged with offering classified information to Iraq, Libya and China. If convicted, the retired Air Force master sergeant could become the first American executed for spying since Julius and Ethel Rosenberg in 1953.

"Brian Regan took an oath of loyalty to the United States. It is an oath he did not keep," Assistant U.S. Attorney Patricia Haynes told the jurors.

Defense attorney Jonathan Shapiro said Regan never intended to betray the United States and had nothing valuable to sell.



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LUKE AFB, AZ



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Midair collision in 2000 is blamed on third pilot

ST. PETERSBURG, Fla. — A deadly midair collision between an F-16 and a small civilian plane two years ago was the fault of an Air Force pilot whose plane was not involved, federal investigators said.

The Nov. 16, 2000, crash occurred because Lt. Col. James Parker failed to watch what was going on around him as he searched for a practice bombing range near Bradenton, the

National Transportation Safety Board concluded in a report released Friday.

Parker was piloting one of two F-16 Fighting Falcons in the area on a training mission. Parker's wingman, Capt. Greg Kreuder, was looking up and to his right to follow his commander and never saw the four-seat Cessna 172 before he slammed into it.

Jacques Olivier, the 57-year-old pilot of the private plane, was killed instantly.

Kreuder ejected from his crippled fighter and was uninjured.

The Arizona Republic

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Alarmed by increasing noise complaints from residents who live beneath Luke Air Force Base's flight routes but outside its disclosure area, Luke officials want to expand the zone where property sellers would have to disclose that F-16 jet fighters fly overhead. A legislative bill is being drafted.

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Suzanne Starr/The Arizona Republic

The roar of jets overhead is bringing in more complaints from outside the Luke Air Force Base noise disclosure zone. Base officials want the zone expanded.

Luke seeks wider disclosure area

Complaints from outside noise zone alarm base

By David Madrid
The Arizona Republic

Alarmed by increasing noise complaints from residents who live beneath Luke Air Force Base's flight routes but outside its disclosure area, Luke officials want to expand the zone where property sellers would have to disclose that F-16 jet fighters fly overhead.

A legislative bill is being drafted that, if successful, would expand the notification zone to about 700 square miles from 280 square miles.

Col. Dennis Rea, vice commander of the 56th Fighter Wing, said laws requiring that those who buy property in the vicinity of a military airport be informed of the base location have reduced the number of noise com-

plaints.

But increasingly, more noise complaints are coming from areas outside the notification box, he said.

Of 102 noise complaints in 2002, 31 came from within the vicinity of the notification zone and 71 came from outside the zone.

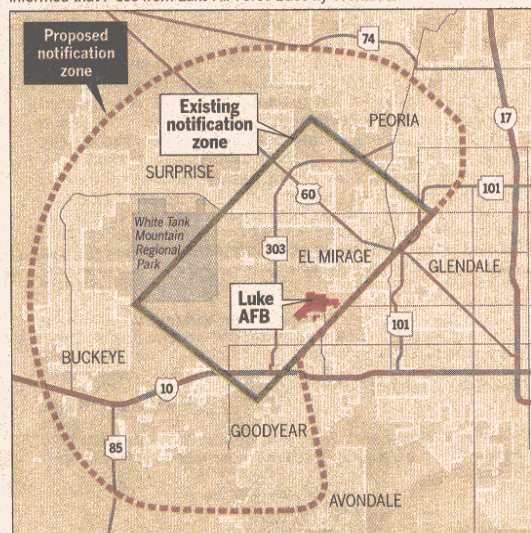
While the number of noise complaints has fallen for the past three years, Rea said he believes that some noise complaints could be prevented if people buying property knew in advance that the jets frequent their airspace.

Not everyone agrees that the disclosure zone should be expanded, including home builders who are constructing new homes at a fast pace in the West Valley.

See LUKE Page 5

F-16 flight area

Efforts are under way to require that property buyers in the notification zone be informed that F-16s from Luke Air Force Base fly overhead.



Source: Arizona Department of Commerce

Mark Waters/The Arizona Republic

The Arizona Republic

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LUKE AFB, AZ



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LUKE Disclosure zone may expand

From Page 1

Spencer Kamps, deputy director of the Homebuilders Association of Central Arizona, doesn't see the need for the larger disclosure zone.

"If they have evidence of a problem, they need to bring that evidence forward," he said.

Amy Duffy, a lobbyist for Glendale, said the proposed bill hasn't been introduced because the Department of Commerce is attempting to define the legal boundaries of the area that would be affected.

Once the bill's draft is complete, it will be taken to the Fighter Country Coalition for review. The coalition includes West Valley cities, county and state officials, business owners, landowners near the base and others interested in preserving the mission of the base, which trains F-16 pilots and crew chiefs.

"We are very much in the early stages of drafting a bill," Duffy said. "We have a lot of

work that needs to be done."

The bill likely won't see opposition from the Arizona Association of Realtors, though lobbyist Tom Farley says his group won't comment on a bill until it sees the language.

He said before the association can back the bill, it wants to be certain that the mechanism for disclosure works for every land sale.

"We don't want to see people selling property open themselves up for liability," Farley said.

Peoria resident Brian Nishimoto, 36, bought his home near 107th Avenue and Rose Garden Lane three years ago. He said he would have no problem with a notification law. The F-16s don't bother him, he said.

"I would have still bought here because I like the area," he said. "My kids like watching them go by."

Dale Jensen, a developer involved in the proposed Douglas Ranch development in northwest Buckeye, said he has no problems telling home buyers that F-16s will fly over their homes. He said he intends to cooperate fully with Luke.

"We should make them aware that we have an elephant running around here," he told the coalition members about informing land buyers of the jets.

Reach the reporter at david.madrid@arizonarepublic.com or (602) 444-6926.

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History in the making

By Tippi Rasp, Staff Writer

January 26, 2003



John Farley of KC Electric Supply connects wires for a hallway speaker system as part of construction of a new wing at Eisenhower Elementary School Friday. (Staff Photo by JOE RICKETS)

Voters split bond issue elections in last 20 years.

Voters came out in droves for a October 1997 Enid Public Schools bond issue and approved two of three propositions, allowing the district to buy new buses, complete maintenance work and upgrade technology.

A total of 8,725 votes were cast in the election. The propositions approved were worth \$8.1 million and were the first to pass by voters since 1989. A failed 1994 bond issue election had more than 2,000 fewer voters going to the polls.

Superintendent Kem Keithly and election campaign chairman Todd Earl have said voter turnout is the key to passing the measures being presented to voters Feb. 11.

Typically, voters who frequently turn out to vote are those who tend to vote no on issues involving a raise in taxes, they both have said.

"You've got to have pretty decent voter turnout," Keithly said.
"Those that tend to vote, tend to vote no."

Keithly said the most successful bond issues EPS has presented to voters in the past were those involving renovations and repair to existing buildings, which the current proposal addresses. That portion of the '97 election passed by 65 percent.

The '97 transportation proposition passed with 62 percent voter approval. School bond issues require 60 percent voter approval.

The '97 measure was the first to pass since 1989. Two previous bond issues failed.

The third proposition on the '97 ballot failed with only 56 percent of voter approval. The question asked voters to approve more than \$1.6 million for band and sports equipment

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Voters split bond issue elections in last 20 years, Con't.

Earl said the key to passing the measure is to make sure those voters who are supportive of the project get out and vote.

Keithly has said supporters often forget to vote the day of an election and he said a calling bank will be important. The committee dedicated to passing the measures is planning to call thousands of registered voters to remind them to vote.

Fifty-five percent of registered voters in Garfield County voted in the last county election in November - significantly higher than those who regularly turn out for annual school elections, according to research by Eagle Marketing. Most annual school elections draw about 10 percent of registered voters, according to the research.

The two bond issue votes prior to the 1997 vote were narrowly defeated. One of the measures would have expanded the high school to include ninth grade and implement middle schools.

Taxpayers will be asked to fund school and city street improvements in separate ballot questions Feb. 11.

The school is asking for \$18.8 million, and city leaders will ask for a quarter-cent sales tax to provide funding for seven school districts and street improvements.

If voters approve the measures, Enid schools would be able to pay for \$27 million in school improvements.

City and school officials, in part, joined forces to help make the city and Vance Air Force Base more competitive before the next round of base closures, projected to occur in 2005.



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A special bond

By Tippi Rasp, Staff Writer

January 26, 2003



Children board the bus at Eisenhower Elementary School. Enid Public Schools hopes to update its fleet with proceeds from a \$32.3 million bond issue and sales tax measure promoted by school and city of Enid officials. (Staff Photo by JOE RICKETS)

Tax measure would enhance schools, help city survive BRAC round, officials say.

Editor's note: The series of stories in today's News & Eagle are the first in an in-depth report on the Feb. 11 school bond issue and sales tax election. The two bond issues and tax will generate about \$32.3 million for repairs to Enid streets and Enid and area schools. The News & Eagle will have daily stories through Feb. 9 outlining im-provements to be made to each school in the Enid district.

Voters will go to the polls Feb. 11 to decide on combined \$32.3 million bond issue and sales tax measures that would fund improvements on city streets, at Enid schools and seven other school districts.

Voters will go to the polls Feb. 11 to decide on combined \$32.3 million bond issue and sales tax measures that would fund improvements on city streets, at Enid schools and seven other school districts.

The bond issue portion requires 60 percent voter approval.

"Sixty percent is very difficult to get," Superintendent Kem Keithly said. "We've got to overcome voter apathy because this is an investment in Enid."

If approved, Enid Public Schools' portion would total \$25 million, which includes about \$6.3 million of the sales tax revenue.

EPS' portion of the sales tax would pay for improvements at Enid High School, including a nine-classroom addition, air-conditioning upgrade, cafeteria and food court.

The \$18.8 million bond issue package - \$16.7 million for school renovations and technology and \$2.1 million for transportation - will systematically replace an aging fleet of school buses and vans and renovate each school in the district, as well as upgrade technology.

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Tax measure would enhance schools, help city survive BRAC round, officials say, Con't.

Two resolutions are needed because transportation and building projects are required by law to be separate.

A group of volunteer community members dedicated to passing the measures have erected signs, purchased radio and newspaper advertising and given speeches detailing plans and promoting the election.

"We're going to do everything we can to get people out to vote," Todd Earl said in an earlier interview. Earl is chairman of YES Kids, Enid, Vance, a group of community volunteers dedicated to passing the measure.

The committee is planning a public forum for 7 p.m. Thursday at the Cherokee Strip Conference Center. The Greater Enid Chamber of Commerce is encouraging chamber members to attend.

City and school officials, in part, joined forces to help make the city and Vance Air Force Base more competitive before the next round of base closures, projected to occur in 2005.

They first united in a December 2001 election, asking voters to help renovate Eisenhower Elementary School. Those renovations, including classroom additions, will be completed late this spring.

The two bond issue propositions are the result of several years of planning and a series of long-range sessions by school board members. The board hired a company to document deficiencies at schools and outline a program for improvements. That outline was presented to the board in December 2001.

The quarter-cent sales tax portion of the election would provide funding for seven school districts and street improvements.

The sales tax measure would be a continuation of the quarter-cent street improvement sales tax, with part of the proceeds going to help schools.

Schools within the Enid city limits - Enid, Chisholm, Pioneer-Pleasant Vale, Drummond, Kremlin-Hillsdale, Waukomis and Garber - would divide the sales tax funds based on the percentage of Enid students attending the schools, according to the 2002 enrollment.

The first eight years of the sales tax will be divided, with half of the revenue going to street improvements and half to the seven school districts. Schools will receive the entire quarter-cent sales tax revenue for the last seven years of the 15-year tax.

The street improvement part of the tax would raise \$5.3 million.

The six other school districts, excluding Enid, would split \$2 million.

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Tax measure would enhance schools, help city survive BRAC round, officials say, Con't.

If the bond issue is approved, homeowners will see their property taxes increase over the next two years - an approximate increase of 8 percent in the first year and another 5 percent the second year.

Voters last passed a bond issue in October 1997. The 1997 vote was the first to pass since 1989.

Four previous bond issues failed.

"What typically happens is you get those voters that vote anytime there is a tax," Earl said. "We've got to get the folks that are supportive of this issue to get out as well."

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Musgrove: Declaration could be 'temporary fix'

By BETH MUSGRAVE
THE SUN HERALD

GULFPORT - At a glance:

Twelve surgeons in Harrison and Hancock counties will take a monthlong leave of absence starting at 12:01 a.m. Monday to protest the high cost of medical malpractice insurance.

Harrison County supervisors declared a state of emergency Friday, which will allow local ambulances to transfer patients to other hospitals that have general surgeons who can treat patients. Hancock County is expected to declare a state of emergency early Monday morning.

Area leaders want Gov. Ronnie Musgrove to declare a state of emergency for these counties, which would allow ambulances to transfer patients to hospitals in Louisiana or Alabama.

Since the state's tort reform laws went into effect Jan. 1, South Mississippi has lost seven of 13 general and vascular surgeons. Twelve other doctors have recently left the area.

PULL QUOTE:

"We don't want to create a panic. We're trying to mitigate the problem before Monday. But we want the public to know that this is a very real problem. They may have to travel much farther distances to get care." - Steve Delahousey, director of American Medical Response, which provides ambulance service to Harrison and Hancock Counties.

Area leaders want Gov. Ronnie Musgrove to declare a state of emergency for Harrison and Hancock counties, a move that would allow ambulances to transport patients to out-of-state hospitals that have surgeons.

Musgrove said late Friday he was checking with Attorney General Mike Moore to see if he could legally declare South Mississippi's shortage of surgeons an emergency.

"I am concerned that this is only a temporary fix," Musgrove said in a written statement.

On Monday, a dozen area general and vascular surgeons at four South Mississippi hospitals plan to take a monthlong leave of absence. The doctors are protesting the high cost of medical malpractice insurance. Those who are participating in the walkout have lost their insurance, can't pay high premiums or face premium hikes in the future.

Memorial Hospital, Garden Park Medical Center, Gulf Coast Medical Center and Hancock Medical Center would be affected by the walkout. Not all surgeries would be affected. All area emergency rooms will remain open, hospital administrators said Friday.

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Musgrove: Declaration could be 'temporary fix', Con't.

One surgeon will be on call at all four of the affected hospitals to treat and stabilize emergency patients, said Alton Dauterive, one of the surgeons organizing the walkout. Dauterive said he could not divulge names of the other surgeons involved in the walkout without their permission.

Gulf Coast Medical Center has contracted with a general surgeon who is insured to cover its emergency and general-surgery operating room, hospital officials said late Friday.

"It's a very real situation," said Steve Delahousey, director of American Medical Response, which provides ambulance service to both Harrison and Hancock counties. "It's not just saber rattling. If 12 surgeons aren't able to practice, it will be a disaster, like a hurricane."

But the on-call surgeons would not be able to handle the more than 20 emergency patients that need general or vascular surgery each day, emergency workers said.

Harrison County supervisors and Gulfport city leaders held a joint meeting Friday morning to declare a local state of emergency. Hancock County supervisors are expected to declare a state of emergency Monday.

Under a local state of emergency, AMR would be able to take patients to the hospitals that have general surgeons to treat them. Hospitals in Jackson County, Hattiesburg, and Jackson also would be able to treat patients.

Normally, ambulances must take patients to the hospital they request or to the closest hospital if the patient has life-threatening injuries.

Under a local state of emergency, AMR would also be able to bring in out-of-state emergency medical crews and ambulances to help transport and treat patients.

If the Department of Defense agrees that the walkout is an emergency, Keesler Air Force Base's hospital also would be able to accept patients who need emergency general or vascular surgery. Keesler has five general surgeons and two vascular surgeons.

If Musgrove also declares a state of emergency, ambulances will be able to take patients to hospitals in Louisiana, which will help patients in Hancock County, Delahousey said.

Hospital administrators said Friday that tort-reform laws passed by the Legislature last summer have done nothing to cut malpractice insurance costs. Some insurers will no longer write policies for doctors in Mississippi. Doctors who can get malpractice insurance say they are being asked to pay exorbitant premiums.



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Musgrove: Declaration could be 'temporary fix', Con't.

"They're turning down (doctors) who've never had a claim against them," said Myrtis Franke, a board member at Memorial Hospital.

Musgrove said the Legislature should immediately approve a compensation fund that he proposed during last year's special session. The fund would provide medical malpractice coverage for doctors and create a long-term solution, Musgrove said.

"Had the Legislature adopted my proposal, we would not be facing the possibility of our doctors going on strike," Musgrove said.



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The Vance factor

By Robert Barron, Staff Writer

January 26, 2003

Officials: Election critical to keep base.

On Feb. 11 Enid voters will decide on what may be the most important issue in the city's history, local officials said.

The vote could determine whether or not Vance Air Force Base survives the next round of cuts by the Base Closure and Realignment Commission in 2005.

"This election is critical to our community for a lot of reasons," said Todd Earl, chairman of YES Kids, Enid, Vance, a committee made up of a group of community members dedicated to passing the Feb. 11 measures.

"The most urgent reason is because of our efforts to retain Vance in the community."

Voters will have three issues to determine - two school bond issues and a city sales tax election.

Previous base closure rounds have identified education facilities as weaknesses in Enid, he said.

"Quality-of-life issues, with education at the top of the list, are a critical component to our effort to retain Vance," Earl said.

The city of Enid is asking for a quarter-cent sales tax, which would be a continuation of the street improvement tax that expired Dec. 31, 2002.

The tax would raise about \$5.3 million for the continuation of the Enid street improvement program, which began in 1998. Other funds raised by the tax would be shared by school districts within Enid's city limits.

The first phase of the street improvement program would be used on approaches to Vance Air Force Base, such as Cleveland, Fox and Pride drives.

Those streets will receive overlay where possible and restructuring where necessary. Most streets will be overlaid, Earl said.

The sales tax would last 15 years, beginning April 1.

The city and the schools would share the tax proceeds for eight years of the tax, then the schools would receive all of the funds for the final seven years.

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Officials: Election critical to keep base, Con't.

Enid Public Schools' share of the money, \$6.3 million, would be used for improvements to Enid High School. Six other school districts in Enid city limits would share the rest of the money, about \$2 million.

Those school districts are Chisholm, Pioneer-Pleasant Vale, Garber, Waukomis, Kremlin-Hillsdale and Drummond. The money would be divided according to the number of each schools' students who live within the city limits.

The city and northwest Oklahoma cannot afford to lose the \$200 million annual economic impact made by Vance, Earl said.

"We can't afford to lose it," he said. "Beyond that, the quality of people Vance brings to the community and the type of volunteerism they do in the community are invaluable. We can't afford to give away people like that."

Earl said the election is important because Enid's youth deserve facilities that indicate the city's commitment to them.

"It's the right thing to do, if we want to have a growing vital community," he said.

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Taking a look back

By Robert Barron, Staff Writer

January 27, 2003

Enid's Mayor Doug Frantz leaving office after 2 terms.

Doug Frantz is busy.

He sits in his insurance office, catching up on regulations affecting part of his business.

Surrounding him are mementos of the things he values, mostly pictures of his family and children. A fish he caught hangs on the wall, and a picture of him with a deer sits on a table.

During the last four years, he hasn't been able to enjoy these diversions as much as he likes.

Frantz is completing two terms as mayor of Enid, a time that has been satisfying for him in many ways, and challenging in some others.

Frantz joined the family insurance agency in 1970 after a three-year stint in the Marines. There were five members of his family then, and he is the only one left.

When Frantz was elected mayor he wanted two things. His goals were to get city finances under control and make meeting lengths a little shorter.

"I felt some business people didn't want to serve because of that, and I tried to make service on the commission a little less onerous," he said.

One of the problems was too much hands-on supervision by commissioners.

"It's our job to set general direction and let the city manager run it," he said. "I think we have made some improvements. We shortened the meetings and we get a lot of work done in the study sessions."

At Frantz's urging, the commission meetings were moved to daytime to allow city commissioners and staff to get their work done, so they can be home with their families in the evening.

Early in Frantz's term, there were times the city had to hold pay checks.

"That isn't good. We don't have to do that now, and I give the credit to a smart city manager," he said. "The smartest thing we've done since we've been in office was to hire (city manager) Bill Gamble."

He also has had some "sound-thinking" commissioners to work with, he said.

"I haven't had any gadflies on the commission," he said. "Everyone got along and we had no rhubarbs."

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Enid's Mayor Doug Frantz leaving office after 2 terms, Con't.

As he prepares to leave office Frantz said the city is in good financial condition but still has some infrastructure problems to address.

There are old sewer and water lines, and many streets need work. Frantz said those things need to be done to keep the city in good condition.

Although he doesn't identify any particular time as a challenge, he mentioned the Wal-Mart Supercenter negotiations and the county jail issue.

"But when we got our heads together they were solvable," he said.

One of the most enjoyable things he did as mayor was the opening of the David Allen Memorial Ballpark, although he admits he had nothing to do with building it.

One of Frantz's greatest concerns came before he was mayor, when the city was negotiating to purchase the Phillips University campus. The city eventually acquired the property, and Northern Oklahoma College-Enid occupies the buildings. Phillips University had closed down after years of financial problems.

"We were concerned some goofball outfit would go in. What we have now is good and may eventually be a greater situation than Phillips," he said. "I'm very encouraged."

Frantz also thinks the public is happy with the jail outcome. Voters approved a quarter-cent sales tax to build a new jail on South 10th, on land donated by the city.

Bringing the StarTek call center to Enid was another accomplishment, Frantz said. Voters approved a quarter-cent sales tax to pay for incentives to bring StarTek here.

"The StarTek money was well-spent. That tax is off now. It's a nice situation to have a place that is always hiring, it's been a good addition to the city," he said. "It made more of an impact on the city than people think."

Frantz's major disappointment is that he did not get to do more economic development.

"We had some nice little boom - the Atwoods expansion, Advance Food will be good for the town," he said.

Frantz was hoping to leave office with an SBC service center as a huge shot in the arm for Enid. However, SBC pulled the plug on the project because of the sluggish economy.

"I'm disappointed, but we've had some modest success," he said.

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Enid's Mayor Doug Frantz leaving office after 2 terms, Con't.

The Enid economy is continuing to diversify, and businesses such as StarTek and Advance Food are examples of that, he said.

"The huge concern now is Vance. Everyone who is in the know is scared. When you think they are closing 100 installations nationwide, that's two per state. Oklahoma has not lost any but we will likely lose one, I hope it's not us," he said.

His most pleasant surprise is the high quality of employees working for the city. In the four years he has been mayor Frantz has had only one phone call complaining about an employee, he said.

"The city is much leaner than when I took office and we have Bill Gamble to thank for that," he said.



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Privatization is key to better housing

Military families stuck in shabby quarters have been hearing for years about a boom in the quality of base housing expected to flow from 1996 initiatives to privatize base renovation and construction programs.

For all the rhetoric, progress has been slow. The services resisted turning control of housing inventories over to private firms, even though their own construction budgets failed to sustain decent housing standards.

Private contractors balked at military housing deals, worried at the risks of investing in property for renters susceptible to base closures, massive deployments or deeper downsizing of forces in the post-Cold War era.

As a result, 60 percent of military family housing today is in such poor shape that the official description is "inadequate."

But the pace of renovations and replacements is picking up, said Joe Sikes, director of the Defense Department's housing privatization program. Through 2002, the military signed 17 privatization deals involving 26,000 units. That is modest progress for an effort begun seven years ago.

But 20 additional projects, involving 41,000 housing units, are scheduled to be signed by October. Next fiscal year, 35,000 more units will be slated for upgrade through 47 new contracts. Thanks to privatization, Sikes said, the services expect by 2007 to address most of the 168,000 inadequate housing units found in the military worldwide.

Sikes credits a shift in service culture as worries rose over deteriorating housing, and a change of heart in the real estate investment community toward military projects after early successes in privatization at Fort Carson, Colo., and Lackland Air Force Base, Texas.

"Frankly, everybody else wanted to see how those turned out before the momentum really got going," said Sikes.

The idea behind privatization is to leverage construction dollars to hasten the overhaul of military housing. Deals can involve the transfer of units and sometimes land. Contractors agree to renovate or replace the units, then to rent them back to military families at rates that match their housing allowances.

The services still supplement contractors' incomes for several reasons. Defense officials and Congress have pumped extra dollars into housing allowances in recent years to close a gap between allowances and local off-base rents. But while that gap exists, privatization can't generate enough rental income so the services make up the difference.

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Privatization is key to better housing, Con't.

Contractors also receive higher subsidies if they rent three- or four-bedroom units to junior enlisted members with large families. Because allowances are linked to pay grade, not family size, contractors see cash flows slow down when larger units are rented to junior enlisted.

Even with subsidies, Sikes said, privatization is the answer to improving housing quality in a timely way. Every dollar the military invests in privatization, he said, is equal to \$10 spent through traditional military construction. Budgeting rules are the reason, he said. If the military builds a house, it must pay the entire cost up front and then maintain the unit.

If the same dollars are spent on privatization, Sikes said, contractors can build 10 units by borrowing against a guaranteed income stream from military renters. They also agree to maintain their properties.

Savings over the full life of a house is 10 to 15 percent. But privatization allows better housing to be built now and paid for later.

Most privatization deals allow contractors to rent to people other than active-duty families if occupancy levels fall below target. That applies to housing on base, too. If contractors can't find enough military tenants, they typically will next invite military retirees, reservists or federal civilian employees to fill the empty units before turning to those with no military ties.

But that aspect of privatization raises security concerns, particularly since the Sept. 11 attacks. It was such a significant issue for the Air Force, Sikes suggested, that it explains how the service got three years behind in using privatization to address inadequate housing.

Reaction to privatization among service families, like those at Fort Carson, has been very positive, Sikes said.

"We signed the deal and 1,800 soldiers had to go down and fill out allotments" to cover their rent. It confused them, he said. "But once the dust settled, people said, 'Hey, this is pretty good. I called the guy up to fix my sink and he wanted to fix my door knob, too.' The private sector operates different from the government."

It's a difference, Sikes said, that many more military families will come to appreciate soon.